

IN THE MATTER OF THE ARBITRATION

BETWEEN

RINGGOLD COUNTY,

Employer,

and

PPME #2003, IUPAT,

Employee
Organization.

ARBITRATION AWARD

Wilford H. Stone, Arbitrator

Issued: April 8, 2002

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A. APPEARANCES

For Ringgold County, Iowa:

James R. Swanger, Attorney
Dan R. Coulson, County Engineer
Royce Dredge, Supervisor
Ethel Campbell, Supervisor
Kim O'Mailia, Auditor

For PPME #2003:

Randy Schultz, PPME Business Manager
Dick Williams, IUPAT General Representative
Deb Groene, PPME Business Representative/Attorney
Steve Trullinger, Ringgold County Secondary Roads Representative

B. INTRODUCTION/STATEMENT OF JURISDICTION

This matter proceeded to an arbitration hearing pursuant to the statutory procedures established in Iowa Code Chapter 20 (2001). The undersigned was selected to serve as an arbitrator from a list furnished to the parties by the Public Employment Relations Board.

Pursuant to the parties' agreement, the arbitration hearing was held beginning at 10:00 a.m., April 2, 2002, at the Ringgold County Courthouse, Mt. Ayr, Iowa. The hearing was electronically recorded. The parties stipulated there was no dispute as to the arbitrability or negotiability of the items at impasse. No subpoenas were requested and no stenographic recordings were requested. The County proceeded with its presentation first.

During the course of the hearing both parties submitted their evidence and were given full opportunity to introduce evidence, facts, and present argument, rebuttal and surrebuttal in support of their respective positions. All evidence was submitted through the parties' representatives and through Dan Coulson, County Engineer. The matter is now fully submitted. Representatives for both parties (Jim Swanger, Randy Schultz, Dick Williams, and Deb Groene) argued their positions in a spirited manner, and the oral presentations and arguments were of considerable assistance to the arbitrator. The parties chose not to submit post hearing briefs, and the hearing was closed at 1:00 p.m. The award set forth below is based upon the arbitrator's weighing of all the facts and arguments submitted.

C. EXHIBITS/STIPULATIONS

PPME Exhibits 1 through 19 (and the entire green notebook) were admitted into evidence without objection.

Ringgold County Exhibits 1 through 14 (and the entire black notebook) were admitted into evidence without objection.

The parties stipulated that the only items at impasse were wages and insurance. Pursuant to the collective bargaining agreement between the parties,

the parties further stipulated that the arbitrator was to select the most reasonable offer of the final offers on each impasse item submitted by the parties.

The parties also agreed that they would extend the statutory time limitation for the completion of bargaining to, and the arbitrator could render his award by, April 8, 2002 (although it was further discussed that the arbitrator would use his best efforts to render a decision no later than April 5, 2002, if possible).

D. ARBITRATION CRITERIA

Iowa Code Chapter 20 contains specific criteria that are to be used by an arbitrator in assessing the reasonableness of the parties' arbitration proposals. The criteria set forth in Iowa Code Section 20.22(9) (2001) states:

The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

1. Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
2. Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
3. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
4. The power of the public employer to levy taxes and appropriate funds for the conduct of its business.

The Iowa Code further provides that the arbitrator must select, without alteration, the most reasonable of the positions on each of the items at impasse and consider the statutory criteria in arriving at the decision as to which is the most reasonable. See Iowa Code §20.22(11) (2001). Here, the parties have an independent impasse procedure contained in the collective bargaining agreement

that states: "On each referred to impasse item(s), both parties will submit, in their judgment, the most reasonable offer on each impasse item to the arbitrator. The arbitrator shall select the most reasonable offer, in his judgment, of the final offers on each impasse item submitted by the parties. The arbitrator's decision on each impasse item will be final and binding on both parties." See Union Exhibit 1, Collective Bargaining Agreement, Article 5.

E. ITEMS AT IMPASSE/FINAL OFFERS

1. **Wages.** Ringgold County (or Employer) proposes a 2% wage increase on the Maintenance Operator II job classification, or \$.28 across the board for all employees. See Employer Exhibit 1; Union Issue I – Exhibit A. PPME (or Union) proposes to increase the same job classification by 3.5%, or \$.47 across the board for all employees. Both parties propose the wage increase to be effective July 1, 2002. Id. See generally, Article 25 – Salary in Exhibit A, Union Exhibit 1.

2. **Insurance.** The County proposes that employees be covered by ISAC Alliance Select Plan 5. See Employer Exhibit 1. The Employer proposes to pay the entire single premium, and any additional family coverage premium amount that exceeds \$183.82 per month. The Employer also proposes that when an employee has paid the maximum deductible under the previous ISAC Alliance Select Plan 3 (\$100/\$200), the County will, upon presentation of proper documentation, reimburse the deductibles incurred by the employee during a contract year to the level of ISAC Alliance Select Plan 3 deductibles (\$100/\$200). Finally, the Employer also proposes that "if allowed by the carrier," if an eligible employee selects single or family coverage under the current ISAC Alliance

Select Plan 3, the employee would be responsible for the payment of any amount in excess of the amount paid by the County under the ISAC Alliance Select Plan 5 through payroll deductions. See County Exhibit 1.

The Union proposes that the current insurance language be maintained in the collective bargaining agreement, except to change \$153.82 to \$183.82, and change ISAC Plan 4 to ISAC Plan 3. See April 1, 2002, letter to James R. Swanger from Randall D. Schultz (Issue No. 1).

F. BACKGROUND

Ringgold County, Iowa, is located in southwestern Iowa on the Missouri border. Its population of 5,469 ranks it 98th among Iowa's counties, and it is ranked 99th in taxable valuation. See Employer Exhibit 4. PPME Local #2003 represents a bargaining unit comprised of around 24 secondary roads employees including Aide I, II and III (two employees); Mechanic I and II (one employee); Working Foreman I and II (two employees); and Maintenance Operators I and II (19 employees). There are no other unionized employees in the County. The parties have engaged in collective bargaining since 1977. The parties have just completed a two year collective bargaining agreement running from July 1, 2000, to July 1, 2002. March 13, 2002, fact finder Hugh J. Perry issued his recommendations in this impasse. See Union Exhibit 18. They were not accepted. Accordingly, the parties remain at impasse on the following items.

G. POSITIONS OF THE PARTIES AND FINDINGS OF FACT

1. Wages.

a. **Ringgold County Position.** The County proposes an across the board wage increase of \$.28 per hour, or 2% of the Maintenance Operator II

wage. See Employer Exhibit 12, note 3. The Employer argues that of the five contiguous counties (Taylor, Adams, Union, Clark, and Decatur), that the average hourly wage rate is \$12.87, as compared to the comparable Ringgold County hourly wage rate of \$13.65. Employer Exhibit 12. The Employer argues this is nearly \$.78, or 6.1% above the average comparable hourly wage rates in comparable counties. Id. The Employer also notes that the Ringgold County Board of Supervisors has determined that, due to budgetary restraints, no other Ringgold County employees will receive a wage increase for fiscal year beginning July 1, 2002. Employer Exhibit 12.

The Employer also notes that the Consumer Price Index for all urban consumers (CPI-U) was 1.6% for the period ending December, 2001, and that the Consumer Price Index for urban wage earners and clerical workers (CPI-W) was 1.3% for the same period of time.

The Employer also submitted evidence indicating the median household income in Ringgold County was \$27,802, compared to the average median household income in the five contiguous Iowa counties of \$28,594. This evidence suggests that the median household money income in Ringgold County is 2.8% (or \$792) below the average median household money income of the comparability group. Employer Exhibit 3. The Employer also submitted other demographic information comparing Ringgold County to various counties in its proposed comparability group. Id. Finally, the Employer submitted testimony concerning the total county paid wage and family health insurance costs per hour at Ringgold County with the other five counties in the Employer's comparability group, indicating that the hourly total wage and family health insurance costs in Ringgold County was

nearly 12.3% more per hour than the average total hourly wage and family health insurance costs in the comparability group. See Employer Exhibit 13, note 6. According to the County, it calculates the difference in its wage proposal with the Union to be \$9,000. It calculates the difference in the health insurance proposals to be \$34,000.

b. **PPME Position.** The Union proposes that employees' wages be increased by \$.47 per hour effective July 1, 2002, which translates into around a 3.5% wage increase. See Issue I, Exhibit A. The Union notes that the average contract settlement in the surrounding counties for last year's contracts was nearly 4.39% per hour, and is around 3.59% for settlements to date effective July 1, 2002. Id. The Union proposes a comparability group for comparison of wages and insurance of the same five counties proposed by the Employer, but also includes an additional eight counties to comprise its thirteen county comparability group: Cass, Adair, Madison, Warren, Montgomery, Adams, Union, Clark, Lucas, Page, Taylor, Decatur, and Wayne Counties. See Union Exhibit 2.

The Union admits that the patrol or maintenance operator wage rate in Ringgold County "is slightly above the average of that of their surrounding county counterparts." See Exhibit A, Union Issue I. However, the Union argues that this disparity is a result of the bargaining history of the parties to reduce the regular work week for these employees from 45 hours to 40 hours per week. The Union argues that if the hour reduction had not taken place, a maintenance operator's wage rate would be around \$11.49 per hour. Id. It further argues the hour reduction allowed the Employer to eliminate five hours of overtime pay per employee per week. Id.

The Union also notes that non-bargaining unit employees in Ringgold County received a 6% wage increase effective July 1, 2001, while PPME members only received a 3% increase. The Union notes that its wage position is the same wage position recommended by fact finder Hugh Perry in this case. The Union argues that fact finder Perry's award is a "relevant factor" to be considered by the arbitrator in structuring this award. The Union also points out that the county is not claiming an inability to pay in this case. The Union submitted certain exhibits regarding the wage issue, including Ringgold County Patrol Operator wage rate increases in the comparability group (Union Exhibit 4), comparability regarding percentage increase in earnings for the last several years (Union Exhibit 5), evidence regarding the work week reduction (Union Exhibit 6), testimony regarding adjusted spendable earnings factoring in employee contributions to insurance (Union Exhibit 12), and testimony regarding the economic impact of the County's proposal on all wage and insurance issues (Union Exhibit 13). The fact finder's award has also been submitted by the Union. (See Union Exhibit 18). Finally, the Union submitted the Ringgold County budgets for fiscal years 2002 and 2003, along with evidence concerning the Ringgold County secondary road funds and unspent balances. (See Union Exhibit 19).

c. **Findings of Fact - Wages.** The parties apparently have a practice of applying the percentage increase to the Maintenance Operator II category and then applying the cents per hour increase across the board to all other employees in the unit. See Employer Exhibit 1. In this case, the Employer proposes a 2% increase to the Maintenance Operator II, which translates to \$.28 across the board. Id. The Union proposes increasing the Maintenance Operator

II position by 3.5%, which is \$.47 across the board. Fact finder Perry recommended a wage increase of \$.47 per hour (3.5% x \$13.65 per hour). See Union Exhibit 18, page 4.

Regarding comparability, the Employer suggests using the five contiguous counties to Ringgold County, while the Union would add an additional eight counties, which it labels the "Second Tier." Both parties select these counties because of their close geographical proximity to Ringgold County. While it is unclear from fact finder Perry's recommendations which comparability group he used (see Union Exhibit 18, page 2 and 4), his 1983 arbitration award (Union Exhibit 3) indicates that he believed the comparability group for Ringgold County "would be counties in the same area of the state as Ringgold . . ." See Union Exhibit 3, page 5. The arbitrator finds that the comparability group recommended by the Union (see Union Exhibit 2) consists of comparable counties for purposes of comparison of wages, hours and conditions of employment, because all of them are in close geographical proximity to Ringgold County and appear to have similar economic conditions and demographics as Ringgold County. See, e.g., County Exhibits 3 and 4; Union Exhibits 3, 4, 7 and 18, and narrative section, Issue No. I.

According to the County's interpretation of Union Exhibit 4, the average patrol operator wage rate for the comparability group in 2002 will be \$13.87. The County argues that its proposal of \$13.93 compares favorably with this average, particularly since the Union's proposal would result in an increase to \$14.12. See Union Exhibit 4. The County also notes that other Ringgold County employees are receiving no increase in 2002. See Employer Exhibit 12, note 4.

The parties also apparently agree that the "patrol operator wage rate in Ringgold County is slightly above the average of that of their surrounding county counterparts." See Exhibit A, Issue I, Union Exhibit.

The evidence indicates that the average contract settlements in comparable counties for the 2001-2002 collective bargaining agreements was 4.39% per hour. The average settlements for contract effective July 1, 2002, is 3.59% per hour. See Union Exhibit 4. The arbitrator finds that the Union's last offer of 3.5%/\$.47 per hour for each classification across the board is the most reasonable. The Union's offer is comparable to those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved. It would allow Ringgold County to maintain its rank in the comparability group. See Union Exhibit 4. See also Employer Exhibit 12 (2001 rates). In fact, applying the 2002 reported settlements to Employer's Exhibit 12 (all but Taylor), the arbitrator notes the comparable hourly rate of \$14.12 in Ringgold County will be \$.70 or 5.2% above the average rates used by the Employer, suggesting that the percentage rate of growth among this group is actually declining from 2001. In addition, the arbitrator notes that over the last two bargaining rounds, the parties apparently reached an agreement to reduce the regular work week from 45 to 40 hours per week. The realized percentage increase for the reduction was 3% in year 2000 and 3% in year 2001. See Union Exhibit 6. Accordingly, based on past collective bargaining history between the parties, and a comparison of wages to other public employees, the arbitrator believes that the Union's final offer of 3.5% is the most reasonable. The arbitrator also notes that the fact finder in his March 13, 2002, recommendations,

similarly recommended a wage increase for these employees of \$.47 per hour (3.5% x \$13.65 per hour). Union Exhibit 18 at page 4. The arbitrator believes that the fact finder's recommendation constitutes a "relevant factor" in determining the most reasonable offer on this impasse item. Finally, the arbitrator notes that the Union's last offer of 3.5%/\$.47 per hour would allow these employees to receive a wage increase above that for both the Consumer Price Index for all urban consumers and for urban wage earners and clerical workers. See Employer Exhibit 2. The arbitrator finds that such a wage increase will serve the public interest and welfare. While apparently other Ringgold County employees will not receive any wage increase for fiscal year beginning July 1, 2002, the arbitrator finds that these other Ringgold County employees are not comparable to the employees represented by PPME, and that they do not perform comparable work. Finally, there is no testimony concerning the inability of Ringgold County to finance this wage increase.

Therefore, based on the bargaining history of the parties, a comparison to other public employees doing comparable work, the interest and welfare of the public, and the ability of the County to fund such an increase, the arbitrator believes that the Union's proposal on wages is the most reasonable. Accordingly, for the year 2002-2003, employees in the PPME bargaining unit shall have their wages increased by \$.47 per hour effective July 1, 2002.

2. Insurance.

a. Ringgold County position. The County proposes that the employees be covered by ISAC Alliance Select Plan 5 for the terms of this contract, but that the County would "self fund" the Plan 5 deductible down to the

ISAC Alliance Select Plan 3 deductibles. The ISAC Plan 3 deductibles are currently \$100/\$200, while the ISAC Plan 5 deductibles are \$500/\$1,000. See generally Employer Exhibit 6. In addition, the Employer proposes that employees can still elect coverage under ISAC Plan 3 as long as they pay the difference in premiums between ISAC Plan 3 and ISAC Plan 5. The Employer also proposes to pay any additional family coverage premium amount that exceeds \$183.52 per month. The County argues that the only difference between its insurance proposal and the Union's insurance proposal is that under the County's insurance proposal, employees will pay a higher out-of-pocket maximum (\$1,500/\$3,000, rather than \$750/\$1,500). See generally Employer Exhibit 6.

The Employer notes that of the 24 employees on health insurance, 17 elect family coverage and 7 elect single coverage. The Employer costs the difference in proposals on insurance to be around \$34,000.

In support of its proposal, the Employer also notes that the County pays almost 82.5% of the PPME total monthly premium, while paying only 45% of all other county employees. See Employer Exhibit 5. The Employer also presented testimony regarding the history of premium payments on single coverage (Employer Exhibit 7) and the premium payment history for family coverage (Employer Exhibit 8). In this respect, the Employer notes that since 1990, employees have only paid \$153.82 per month, and while this constituted nearly 40% of the total monthly premium in 1990, by year 2000, this \$153.82 constituted only 23.3% of the total monthly premium. See Employer Exhibit 8. The Employer believes that this constitutes \$240.75 in 2002 dollars. Id., and

Employer Exhibit 9. The Employer notes that from July 1, 1990, to July 1, 2001, the total monthly health insurance premium for family coverage has increased from \$387.47 to \$880, or 227%. Id. During this same period of time, the County's share has increased over 311%. Id. The County believes that its proposal "would not even restore the employees in the county to the same relative positions they were in when the current contract was negotiated." Employer Exhibit 8.

The Employer also submitted comparability data regarding single health insurance and family health insurance premium allocations. See Employer Exhibits 10 and 11. The Employer argues that the monthly single health insurance premium in Ringgold County is 28% above the average in four of the five Iowa counties contiguous to it. See Employer Exhibit 10. Regarding family health insurance premium allocations, the Employer notes that the average total monthly family health insurance premium in the five Iowa counties contiguous to it is \$725.76, as compared to \$880 in Ringgold County. Employer Exhibit 11. The Employer argues that it contributes 41% more per month than the average contribution in the five Iowa counties contiguous to Ringgold County. In other words, the Employer argues that it pays \$1.21 more per hour, or \$2,081.21 more per employee per year than comparable employers. Finally, the Employer introduced testimony regarding comparable hourly wage rates and hourly family health insurance costs to comparable employers. See Employer Exhibit 13. The Employer argues that the hourly total wage and family health insurance costs to Ringgold County of \$17.80 is \$1.95, or 12.3% more per hour than the average

total hourly wage and family health insurance costs to the five Iowa counties contiguous to it. Id. at note 6.

Finally, the Employer notes that of the 17 employees electing family coverage, that ten are employed elsewhere and are eligible for family coverage. The Employer also cited one example where at least one bargaining unit employee's spouse was employed by the local school district, and received a tax sheltered annuity payment per month for not electing health insurance at the school district. The employer also stated that only one employee last year used his or her out-of-pocket maximums. According to Employer Exhibit 6, the average increase in rates for ISAC health insurance plans is around 12.5%.

b. PPME Position. PPME proposes that the current insurance language be retained, except change \$153.82 to \$183.82, and change ISAC Plan 4 to ISAC Plan 3. Accordingly, under PPME's proposal, the Employer will continue to provide single health insurance, and employees would be required to pay \$183.82 per month for family insurance. The same deductibles of \$100/\$200 and maximum out-of-pocket amounts of \$750/\$1,500 would apply. The Union notes that its position is the same as that recommended by fact finder Hugh Perry. See Union Exhibit 18. The Union presented several exhibits regarding health insurance, including comparison of the ISAC Alliance Select policies (Union Exhibit 9), and another printout similar to Employer Exhibit 8 indicating that the premiums for fiscal year 2002 for ISAC Plan 3 will be \$398 for a single plan and \$880 for a family plan (from \$294 and \$660 per month). The Union also submitted comparability regarding employee contributions to insurance premiums indicating that six of the 13 counties have dependent premium caps (Union

Exhibit 10), and that seven of 13 counties have \$100 single deductibles or less. See Union Exhibit 11. Union Exhibit 12 shows comparability with other counties of adjusted spendable earnings after employee contributions to insurance are deducted for both years 2001 and 2002. Regarding the 2002 employee adjusted spendable earnings exhibit, the Union relied on certain assumptions contained in Union Exhibit 13 under the Employer's proposals for wages and ISAC Plan 5. Compare Union Exhibits 12 and 13. The Union argues that the economic impact to employees from the County's proposal could fluctuate from as low as \$.43 per hour to \$.70 per hour to retain the status quo. See Union Exhibit 13. The Union also submitted Union Exhibit 14, indicating that Ringgold County received around \$48,153 as a result of a settlement with Blue Cross Blue Shield, and suggesting that had the money been used to reduce the insurance premiums increase effective July 1, 2000, the increase would have been reduced by around 13.94%. Finally, the Union submitted certain clauses from other comparable employers regarding insurance (Union Exhibit 15), and also submitted the fact finder's recommendation. See Union Exhibit 19. According to some testimony, at least Adams and Decatur Counties self-fund premium amounts back to employees, and another four counties may likewise self-fund some portion of the insurance. See Union Exhibit 11. The Union argues that its proposal is consistent with the fact finder's recommendation supported by comparability and past collective bargaining history and other alternate factors.

c. **Findings of Fact - Insurance.** Of the 24 employees in the unit, 7 currently elect single coverage and 17 employees currently elect family coverage. Single premiums have increased from \$294 per month to \$398 per

month, and family premiums have increased from \$660 per month to \$880 per month. See Union Exhibit 9 and Employer Exhibit 6. Under the current contract, the County provides single health insurance coverage and employees pay a maximum of \$153.82 per month for family insurance. See County Exhibit 8. It is also undisputed that since at least 1990, premiums have dramatically increased. For example, in 1990, the total monthly premium for family coverage was \$387.47. In 2002 it is \$880. See County Exhibit 5, 6 and 7. Single premiums have increased from \$171 to \$398. See County Exhibit 7. In reviewing the record and the exhibits, both sides admit they had made various assumptions in their costing and proposals. See, e.g., Employer Exhibit 11, note 4, and 12, note 3; Union Exhibit 13.

While comparability is difficult with health insurance because each plan often differs so much, it is now simply undisputed that the trend is for employers to require employees to share in the cost of medical coverage to a greater degree than in the past. See, e.g, Employer Exhibit 11, and Union Exhibit 10 and 11.

The arbitrator has carefully reviewed the comparability data on insurance submitted by the parties. There was some testimony that at least six of the thirteen counties in the Union's comparability group "self-funds some portion of the insurance." See Union Exhibit 11. There was also testimony by Ms. Groene that several counties in which she bargained on behalf of PPME self-funded some portion of the insurance. As the Employer noted at the hearing, however, none of the self-funding language is contained in any of the collective bargaining agreements admitted into evidence. See, e.g, Union Exhibit 15. Accordingly, the

arbitrator is unable to determine, on this record, exactly what the comparable counties have bargained regarding "self-funding." Although Union Exhibit 11 suggests insurance deductibles may be "self-funded," there is no further evidence regarding the types of plans at each comparable employer, and to what extent and degree employers are self-funding. (e.g., premiums, deductibles, family only, etc.) On this record, therefore, there is simply not enough credible evidence to find that Ringgold County should also move to some type of self-funding formula based on comparability.

Testimony of comparable employers regarding self-funding of premiums, deductibles, out-of-pocket maximums, etc., would have arguably been persuasive. See, e.g., Union Exhibit 11. In this respect, the arbitrator notes that the fact finder suggested that the parties may not have seriously bargained the health insurance benefit. See Union Exhibit 18, page 4. In any event, there is simply not enough comparability evidence of similarly situated employers to recommend that the parties self-fund a portion of their insurance plan, and increase out-of-pocket maximums.

The arbitrator also notes evidence that other neutrals in comparable counties (Adams and Cass) declined to remove existing formulas in each contract regarding insurance caps or levels of benefits. Union Issue 2. Both fact finders apparently increased employee contributions to dependent coverage (as did fact finder Perry in this case), but did not change existing formulas (deductibles, out-of-pocket maximums, or percentage contribution). *Id.* Such evidence of other neutrals in comparable counties ruling on the same impasse item arguably constitute a "relevant factor" to consider in this dispute. It is also

consistent with the bargaining history in Ringgold County, where the parties have bargained a "cap" on health insurance family premiums since 1990. See County Exhibit 8.

The arbitrator also relies on the bargaining history between the parties concerning single and family health insurance coverage and employee contributions. See Employer Exhibits 8 and 9. The County has historically paid 100% of single coverage since 1990. In addition, since 1990, employees have always paid \$153.82 a year, notwithstanding the fact that this amount as a percentage of the total monthly premium has fluctuated year to year. *Id.* The arbitrator accordingly finds it unreasonable to change the formula that has developed over many years in several bargaining agreements between the parties. The parties are represented by experienced negotiators, and some trade off was likely made to achieve at least 11 straight years of no changes to the formula. See Union Exhibit 8. The arbitrator believes that the increase from \$153.82 to \$183.82 per month for family coverage is consistent with the bargaining history between the parties.

The arbitrator also believes, given the comparability and bargaining history, that it is in the public interest and welfare to require employees to share more in the cost of family health insurance with the employer consistent with the Union's last offer. The arbitrator believes that the increased amount to be paid by employees on family coverage (17 families) will grant the County partial relief from increased health insurance costs, and that is not as aggressive a change in the formula developed between the parties over many years by moving to a self-funded plan and increasing out-of-pocket maximums. The arbitrator also agrees

with fact finder Perry's observation: "The best health insurance benefit is one that is negotiated between the parties." Union Exhibit 18, page 5.

Accordingly, based on the comparability, the bargaining history between the parties and the public interest and welfare, the arbitrator believes that the Union's proposal on insurance is the most reasonable.

H. CONCLUSIONS OF LAW/AWARD

In accordance with the statutory criteria imposed upon the Arbitrator, the Arbitrator determines as follows:

1. Wages. The final offer of the Union is selected as the most reasonable.

2. Insurance. The final offer of the Union is selected as the most reasonable.

Dated this 8th day of April, 2002



Wilford H. Stone, Arbitrator

CERTIFICATE OF SERVICE

I certify that on the 8th day of April, 2002, I served a copy of the foregoing Arbitration Award upon the following persons by mailing pursuant to the Iowa Code and the Iowa Rules of Civil Procedure:

Susan M. Bolte
Administrative Law Judge
Iowa Public Employment Relations Board
514 East Locust Street, Suite 202
Des Moines, Iowa 50309-1912

James R. Swanger
666 Walnut Street, Suite 2000
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Kimberly Gauslin

/kim/whs/ringgold county/arbitration award

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